MEDI-CAL UPDATE Part 2
Billing and Policy
www.medi-cal.ca.gov

Outpatient Services • Home Health Agencies and Home and Community-Based Services

March 2006 • Bulletin 377

Contents

End Stage Renal Disease Pilot Project

Under a four-year pilot project, recipients with End Stage Renal Disease (ESRD) may enroll in "VillageHealth operated by SCAN Health Plan" (VillageHealth), a Medicare Health Maintenance Organization (HMO). Effective for dates of service on or after January 1, 2006, VillageHealth serves recipients in select ZIP codes in San Bernardino and Riverside counties. Ordinarily, recipients with ESRD would be excluded from enrollment in a Medicare HMO.

VillageHealth is partnering with DaVita and other providers in this endeavor, as follows:

- VillageHealth (an ESRD Specialty Health Plan/California Medical Services Demonstration Project) is the primary payer
- DaVita renders the dialysis services
- Other providers may render additional medical services

Provider Manual
Policy about this pilot project has been added to the *MCP: Special Projects* section of the Part 1 Medi-Cal provider manual.

Billing
Providers bill for services to VillageHealth members as follows:

- Plan-covered services to VillageHealth
- Copayments, coinsurance or deductibles for plan-covered services to Medi-Cal (similar to crossover claims)
- Services denied or not covered by VillageHealth, to Medi-Cal as standard fee-for-service claims

Copayments, Coinsurance and Deductibles
Claims for copayments, coinsurance or deductibles must be submitted as paper claims. Instructions for submitting paper claims closely parallel instructions for billing Medicare/Medi-Cal hard copy crossover claims, except for the few additional requirements noted below. Therefore, billers should refer to the "Hardcopy Submission Requirements of Medicare-Approved Services" in the Part 2 manual.

In their interpretation of the manual, billers should consider "VillageHealth" the same as "Medicare." For example, in the *Medicare/Medi-Cal Crossover Claims: Outpatient Services* section, under the "Part B Services Billed to Part B Carriers" heading, the reference to "Medicare approved service" would also be interpreted as "VillageHealth approved service."

Please see **VillageHealth**, *page 2*

VillageHealth *(continued)*

In addition, claims for copayments, insurance or deductibles treated like crossovers must be billed to Medi-Cal with the same national procedure codes and modifiers billed to VillageHealth and include the following:

- A copy of the *Remittance Advice* (RA) received from VillageHealth. The RA must state "SCAN ESRD PILOT" in the *Remarks* section at the bottom left and include the address and telephone number for VillageHealth in the upper right corner. The RA provided by VillageHealth must be in the *Medicare National Standard Intermediary* (Medicare RA) format equivalent to the latest PC Print single claim detail version with billed amounts, paid amounts, group codes, reason codes, amounts showing line level coinsurance, and deductible amounts and other adjustments, as appropriate.
- VillageHealth AEVS (Automated Eligibility Verification System) carrier code "S323" in Box 56 on the *UB-92 Claim Form*.

Electronic billing may eventually be an option.

This information is reflected on manual replacement pages mcp spec 7 and 8 (Part 1) and medicare 3 (Part 1).

Instructions for Manual Replacement Pages — Part 2

March 2006

Home Health Agencies and Home and Community-Based Services Bulletin 377

This *Medi-Cal Update* does not contain Part 2 Billing and Policy provider manual pages.